Application sent by IOC, Barauni for fixing brand rate of drawback

†1648. SHRI MANGANI LAL MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that application sent by Indian Oil Corporation, Barauni to the Customs Commissioner in the year 2003-04 for fixing brand rate of drawback has not been disposed till now;

(b) whether it is also a fact that as a result of non-disposal of such claim within 90 days, Government may have to pay lakhs of rupees as interest at 24 per cent per annum; and

(c) if so, the officials guilty for the same alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The brand rate applications of M/s Indian Oil Corporation (IOC), Barauni are pending for want of certain documents, which are yet to be submitted. The matter is under correspondence with IOC. In view of this, the Government is not liable to pay any interest, nor any officer can be held guilty for non-finalisation of the claims.

Investment plans for surplus reserves of PSUs

1649. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Public Sector Undertakings have accumulated an aggregate cash and surplus reserve of more than Rs. 2,60,000 crores, with investment plans aggregating to only a third of the reserves; and

(b) whether these cash reserves add up to roughly 10 per cent of the GDP and if so, whether Government would prevail upon these PSUs to embark on massive investment plans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Sir, as per latest available Public Enterprise Survey, aggregate reserves and surplus of central PSEs were Rs. 2,59,576 crore as on 31.3.2004 constituting about 10 per cent of GDP.

†Original notice of the question was received in Hindi.

Central PSEs had investment outlay of Rs. 85,294.02 crore in 2004-05 (RE). Plan outlay is Rs. 1,18,462.47 crore in 2005-06 (BE), It may be noted that the entire aggregate reserves and surplus of central PSEs are not free reserves. A decision has been taken recently to enhance the financial powers of central PSEs for investment decisions.

Mishandling by recovery agents

1650. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that recovery agents of a financial institution in Pune had detained illegally a customer of the bank and held him to ransom for payment of his dues to the bank;

(b) whether of late, many banks and Non-Banking Financial Companies (issuing credit cards) are engaging persons of criminal antecedents to recover their dues from defaulting consumers;

(c) whether such agents have been threatening the cards holder's family members, referees and friends, making false and obscene calls; and

(d) whether Government propose to ban the engagement of recovery agents both by banks and NBFCs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Reserve Bank of India (RBI) have reported that they have no information in the matter.

(d) There is no move to ban engagement of recovery agents. However, in the matter of recovery of dues, banks/NBFCs may ensure that they, as also their agents, adhere to the extant instructions issued by RBI dated May 05, 2003 on Fair Practice Code for lenders.

Merger and acquisitions of banks

†1651. SHRI KRIPAL PARMAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering on mergers and acquisitions of Public Sector Banks;

†Original notice of the question was received in Hindi.